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BUILDING AND CONSTRUCTION MATERIALS
MARKET OVERVIEW

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Market Research Planned (MRP)

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SUMMARY: Current industry sector analysis provides information regarding the construction and building materials market for the housing industry in Mexico. Tables presented include: direct employment, secondary employment effects in other sectors, National Housing Program 2004 Results, a list of the most marketed products with harmonized codes is also covered, as well as a table including best prospects.

The total market for building materials for the housing industry in 2005 is estimated at US\$6.2 billion, with U.S. imports around US\$1.7 billion, representing 70 percent of total imports. This market is expected to grow 4.5 percent per year from 2003-2005 reaching US\$6.7 billion at the end of 2005.

According to the Mexican Chamber of the Construction Industry (CMIC), in 2002 Mexico had 9,000 building materials manufacturers that exported a total of US\$2.2 billion dollars of housing building materials. The market for housing building materials has become more competitive during the last five years especially with new entrants from Italy, Spain, Korea, Taiwan, Japan, and Canada.

Mexico offers a unique market for the construction services and products coming from the United States, US imports have the first place into the Mexican market. Another advantage is that thanks to the NAFTA agreement almost all products or services enter the market free of duties and taxation.

The construction and building industry means a great impact on the Mexico's GDP, during the last five years its contribution had a 4.5% average. **END SUMMARY.**

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A. MARKET OVERVIEW

MARKET PROFILE

The multiplier effect of the construction and building industry impacts the Mexican economy as follows: from every 100 Mexican pesos invested, 56 are used to buy services and materials from other 37 of the 72 sub-sectors of the Mexican economy. This means that when the construction and building industry grows it affects half of productive activities.

Mexican firms must need to have ability, capability and a pro-active attitude on their specific areas, in order to take advantages of the various projects (Federal Government, State Plans, Municipality and as well as private projects). Industry generates investment not only on materials; it also supports the machinery and equipment required for each project. This generates the acquisition or rental of machinery and equipment through all the Mexican Republic, most imports and rentals are made with US companies located in border States.

Regarding employment, the construction and building industry is one of the most important sectors, as it provides employment to over 3.5 million persons, which means 11% of the total employment in Mexico. In addition, for each five direct employees, two more will be created in other related sectors, adding to the multiplier effect. The 3.5 million of employments generated directly on construction and building industry, it generates 279 thousand employments on products directly related with the industry (see table 1), plus other 1.1 million indirect employments in other sectors of services. With all this, we can state that over 4.9 million of employees in Mexico depend direct and indirectly from the construction and building industry (see table 2).

TABLE 1
DIRECT EMPLOYMENT

Construction and Building Products Industry	Total Employment per Sub-Sector (in thousands)	% Of Total Production Used on the Construction and Building Industry	% of Total Indirect Employment Generated
Iron mineral	4.46	2.707000	0.000121
Metallic non-ferrous mineral	23.10	0.000000	0.000000
Canter, sand, gravel and clay	52.97	78.41590	0.041537
Other metallic mineral	8.53	12.28070	0.001048
Other textile products	106.22	2.790200	0.002964
Sawmills, triplay and cork	50.68	46.94200	0.023790
Wood and cork products	100.89	8.913000	0.008992
Paper and cartons	61.83	4.005800	0.002477
Oil and related products	36.47	11.077000	0.004040
Basic chemical	19.47	2.942200	0.000573
Synthetic resins and artificial fibers	23.92	0.004700	0.000001
Soaps, detergents, and cosmetics	35.11	0.112300	0.000039
Other chemical products	42.58	12.790800	0.005446
Rubber products	31.70	11.685300	0.003704
Plastic products	150.47	3.519500	0.005296
Glass and glass products	36.17	10.359800	0.003747
Cement	7.49	87.634700	0.006564
Other products from non metallic mineral	112.16	39.878400	0.044728
Iron and steel	36.1	45.555800	0.016446
Non-ferrous metal	23.72	18.268300	0.004333
Metallic furniture	24.39	10.245100	0.002499

Structural metallic products	50.27	20.575700	0.010343
Other metallic products (except machinery)	125.67	13.556600	0.019274
Machinery and non-electric equipment	123.24	15.479900	0.019077
Machinery and electric equipment	109.05	8.802100	0.009599
Electrical equipment and apparatus	109.02	33.402400	0.036415
Other manufactures	117.03	1.222700	0.001431
Electricity	171.72	2.824300	0.004850
Total of Indirect employments			0.279333

*Source: Economic and Statistic Coordination Area from the Mexican Chamber of the Construction Industry (CMIC).

TABLE 2
TOTAL EMPLOYMENTS GENERATED

Total National Employment	31.1 Millions	
Construction and Building Materials Industry Employment	3.5 Millions	
Total of employments in other sectors of the Mexican economy	27.6 Millions	
Total impact of the construction and building industry	3.8% x 27.6 =	1.1 Million
Total direct and indirect employment generated	3.8 + 1.1 =	4.9 Million

*Source: Economic and Statistic Coordination Area from the Mexican Chamber of the Construction Industry (CMIC).

According to the officials sources (government agencies and private chambers) 449,630 new homes were built in 2002. Of those, 330,800 were built through programs operated by Federal Government housing agencies (INFONAVIT, FOVISSSTE, FOVI, FONHAPO and States housing institutes). The remaining 118,830, were built by non-government programs: SOFOLES –Sociedades Financieras de Objeto Limitado-Financial Institutions with Limited Action-, bank loans and other private corporations focused on the construction of mid and high level income houses. See following table:

TABLE 3
NATIONAL HOUSING PROGRAM 2004 RESULTS

Housing Entity	Total of Credits for Acquisition of New Homes and Remodeling	Investment in Millions of Pesos
Infonavit	325,000	60,120
SHF – FOVI	65,000	18,857
Fovissste	74,000	14,500
Fonhapo / Sedesol	45,000	2,906
Banks, SOFOLES, Crevis and Others	66,000	28,415
Total	575,000	128,929

*Sources: CMIC, INFONAVIT, SHF-FOVI, FOVISSSTE, FONHAPO, SEDESOL, INEGI, SOFOLES ASSOCIATION, BANKS STATISTICAL DATA, the National Commission for Housing Development, and the CANADEVI (National Chamber for Housing Development).

Official sources estimated at the end of year 2000, that Mexico had a deficit of over 6 million homes. Major housing construction companies such as Grupo Inmobiliario SARE, Consorcio HOGAR, Desarrolladora Metropolitana DEMET, Consorcio Ara, Grupo GEO, Grupo SADASI

and Grupo URBI are planning to build over 1,000,000 new, low-end and middle-income homes during 2003-2005.

The geographical distribution of this deficit and proposed housing projects during the next three years will be concentrated in 100 cities of over 50,000 inhabitants. Major housing projects will continue to be implemented in Mexico City, Estado de Mexico, Guadalajara, Monterrey, Puebla, Merida, Jalapa, Cuernavaca, Queretaro, Pachuca, Toluca, Morelia, Celaya, and Leon. From the listed cities the Estado de Mexico, Toluca and Monterrey will receive more support from the Mexican Federal Government. Companies based in those states are expected to participate actively during 2,005 in the remodeling and construction of new, low cost, middle and upper income homes, public and private hospitals, public and private school buildings, office buildings, movie theaters, retail stores, restaurants and bank offices. Total investment on the construction industry at the end of 2004 was 750,000 millions of Mexican Pesos, and from those, housing investment was 46%, energy received 24%, industry-commerce-tourism received 14%.

IMPORT MARKET

During the last years the import market on the construction industry has being dominated by US products, unfortunately during the last two years Asian products have being gaining a better percentage of the share raising to 19% on the last year. The major advantage of NAFTA products is that they enter the Mexican markets free of any import duties or low tariffs; and that the Mexican buyers know well their quality and that the delivery time is faster.

In Mexico, the culture of housing maintenance is almost non-existent. Therefore, most of the maintenance works are corrective in nature. In the sector of mid-income and high-income housing, maintenance works are performed within the period of five to seven years after the building of the house.

There are many different types of maintenance works, the most common are painting (interior and exterior), finishing renovation (walls, floors, ceilings and roof covering), ironwork and carpentry (doors and windows), cabinets (bathroom and kitchen), facilities (water and electric lines), and structural repairs consisting in the expansion or modification to the original project. It is expected that during the next three years, the demand for materials for housing maintenance will grow an average of 8.0 percent per year. Table 4 shows statistical information for the building materials market for the housing industry:

TABLE 4
MARKET SIZE FOR CONSTRUCTION BUILDING MATERIALS (U.S. DOLLARS MILLIONS)

	Year 2002	Year 2003	Estimated Last Year 2004	Avg. Annual Growth Rate For the Next Two Years
Import Market	2,095.3	2,308.1	2,411.9	10.0%
Local production*	6,012.9	6,253.4	6,534.8	4.0%
Exports	2,237.4	2,416.4	2,525.1	8.0%
Total Market	5,873.9	6,138.2	6,414.4	4.5%
Imports from U.S.	1,582.8	1,709.4	1,786.3	8%
Exchange rates (Pesos per US Dollars)	10.8	11.1	11.4	

* Figures based on official figures, interviews and statistical data from the following sources: INEGI Import/Exports statistics, Mexico Central Bank (Banco de México) Import/Export statistics, Secretariat of Economy, BANCOMEXT, CONAFOVI and interviews with manufacturers, distributors, officials CMIC, officials from the CNEC and representatives from the CANADEVI.

2004 Import Market Share: U.S. 67 %; Italy 10%, Spain 9%, Korea 6%, Taiwan 4.5%, Canada 2%, Others 1.5%.

Estimated future inflation for 2005, 4%

Receptivity score (1-5): 5 very receptive

B. TRENDS AND HIGHLIGHTS

Federal Government and the Mexican Chamber Industry of Construction (CMIC) estimates are that the housing building materials market will grow at a rate of 4.5 percent during the next three years (including current 2003). The new administration that took office in December of 2000 has indicated the desire to build over 1,000,000 new homes per year from 2001 to 2006.

Major private construction companies working with federal or state housing agencies will push up demand for building materials compared with the last five years. There are ambitious targets for new homes at the different social levels of this market. The segments of the market that will demand the most building materials are the lower income and middle income levels. They are expected to grow at an average of 20 percent and 14 percent respectively during the next three years.

C. COMPETITIVE ANALYSIS

DOMESTIC PRODUCTION

According to the Mexican Chamber of the Construction Industry (CMIC), Mexico has over 9,000 domestic manufacturers of building materials. From those, 98 percent are micro, small and mid-sized firms located in the major industrial areas of the country. They play an important role on the sector, since they generate most of the 4.9 million direct and indirect employments. As a fact, 97 percent of the firms affiliated to the Chamber have less than 50 employees, and 91 percent have less than 14.

Major Mexican firms are: Cemex, Cementos Apasco, Eureka, Cerámica Santa Julia, Ladrillera Mecanizada, Terracon, Lamina Desplegada, Panel Rey, Vitro Fibras, Cerámica Gaya, Mosaicos Venecianos de Mexico, Fester, Laminados de Barro, Mármoles y Granitos, Cerraduras Tesa, Black and Decker, Imperquimia, Protexa, Productos Nacobre, Escaleras Rital, Vidrio Plano, Madeira Carpinteria Profesional, Recubre, and Productos Cristalum.

D. THIRD COUNTRY COMPETITORS

In 2002, third country competitor companies had a 30 percent share of the import market. The number one competitor is Italy with 10 percent, mainly with ceramic tile, bathroom and kitchen accessories, gates, fences, mirrors, curtains, and flat glass. Spain has 9 percent, mainly ceramic tile, bathroom and kitchen accessories, and wallpaper. Korea has 4 percent, mainly with welding and cutting equipment, electric appliances, plumbing tools and accessories for water, sanitary and gas installations. Taiwan has 3 percent, mainly with welding equipment,

plumbing fixtures, gas and smoke extractors, electric and telephone conductors, wires and cables.

The U.S. is the largest foreign supplier of housing building materials with 70.0 percent of the import market in 2002. Imports from the U.S. are expected to grow at an average of 8 percent per year through 2005. Some of the U.S. companies already in the market that work with local reps are: Anderson Windows, Marvin Windows, Bruce Floors, Pella Windows and Doors, Western Forms, Armstrong, Royal Building Systems, Atlas Copco, Black and Decker and Infra Air Products.

The U.S. has a unique advantage since Mexican authorities and private sector organizations follow the provisions and are implementing regulations from major U.S. manufacturing associations for quality purposes.

END USERS

PRIVATE SECTOR

Among the major private sector, potential end-users of building materials are: GRUPO SARE, CONSORCIO ARA, GRUPO GEO, TERRUM, PARQUE REFORMA, GRUPO LOMA, Desarrolladora Metropolitana DEMET, Corporativo DINE, Desarrollo Monarca, Grupo ICA, and Gutsa Vivienda. Mentioned companies expect to build over 1,000,000 new homes per year from 2001 to 2006, through various housing agencies projects, procuring large quantities of building materials from local and foreign manufacturers.

PUBLIC SECTOR

For a sector that depends on the approval of funds from the Mexican Congress, major investment must focus on short, medium and long term plans to develop the current infrastructure in cities with over 50,000 inhabitants; social and low-cost housing developments; public buildings (hospitals, schools, building offices); energy generator plans and sub-stations; remodel and built of new roads and highways; ports and airports upgrade; among others.

Although the current sector housing agencies do not buy building materials directly, they do provide or grant funds for individuals willing to remodel or purchase a house (new or used), under the different existing government schemes.

Following are the major government agencies:

INFONAVIT (Instituto del Fondo Nacional de la Vivienda para los Trabajadores-Institute of National Housing Fund for Workers) was created in 1972. INFONAVIT obtains its resources from 5 percent payroll deductions. INFONAVIT'S prime objective is to provide workers and their families with decent and sanitary housing through the granting of mortgage credits. In 2000, INFONAVIT was responsible for the construction of 226,000 new homes and from 2001 to 2006 is expected to coordinate the works for the construction of over 900,000 new lower income homes.

FOVISSSTE (Fondo para la Vivienda del Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado). This fund was established in 1972. Its resources come from a 5 percent salary deduction of government workers. It grants credits for building, buying or improving homes, as well as for paying debts, down payments or expenses for legal titles to property. FOVISSSTE was responsible for the construction of 10,000 new homes in 2000. FOVISSSTE plans to coordinate the construction of 200,000 new lower income homes during the period 2001 to 2006.

SHF (Sociedad Hipotecaria Federal, Sociedad Nacional de Credito, Institucion de Banca de Desarrollo) former FOVI (Fondo de Operación y Financiamiento Bancario a la Vivienda). Main objective of current Society is to support the development of the primary and secondary housing loans, with guaranties focused on: construction, acquisition and up-grade of social housing; also has the challenge of increasing productivity and the technological development related to the housing industry; as well as guarantee the financial funds related to urban equipment of the housing developments. It uses commercial banks and non banks-banks, or SOFOLES (financial societies of limited purpose) as financial intermediaries. SHF channels its resources to finance housing through auctions, to grant construction credits to the developers. SHF was responsible for the construction of 45,000 new homes in 2000. SHF plans to coordinate efforts to build over 500,000 new lower and middle income homes between 2001 and 2006.

FONHAPO (Fondo Nacional de Habitaciones Populares). This fund was established in 1981 to grant credits to families with incomes of 2.5 times the monthly minimum wage or less, with priority to families in the informal sector of the economy. The credits are channeled through organized groups that may be represented by state or municipal authorities or cooperatives, for the purpose of acquiring urbanized lots or packages of building materials for self-construction, improving existing homes or building new ones. FONHAPO was responsible for the construction of 2,000 new homes in 2000. FONHAPO is planning to build over 40,000 new lower income homes from 2001 to 2006.

OTHER PUBLIC HOUSING ORGANIZATIONS

These include the State housing institutes that attend to the demand of low-income groups within their regions. They counsel families on how to obtain credits offered by the entities that have national coverage. The institutes also participate in co-financing projects between the state governments and other housing promotion entities. By the end of 2002, state housing institutes were responsible for the construction of 18,000 new homes. It is estimated that State-housing institutes will build over 225,000 new, lower and middle-income homes from 2003 to 2006.

There are also other organizations that attend to housing for specific market segments, for example, the Fondo de la Vivienda Militar-Instituto de Seguridad Social de las Fuerzas Armadas, FOVIM-ISSFAM (Military Housing Fund of the Armed Forces Social Security Institute), housing funds of Petróleos Mexicanos (PEMEX-Government owned petroleum company), the Comisión Federal de Electricidad (CFE- Federal Electricity Commission), among others. These organizations were responsible for the construction of 6,000 new homes in 2002. The above organizations are expected to implement programs to build over 60,000 new lower and middle income homes from 2003 to 2006.

Mexico's major commercial banks (BANAMEX, BANCOMER, SERFIN, INVERLAT, etc) were responsible for granting credits to build 2,200 new homes in 2002 and are expected implement major credit programs for the construction of over 250,000 new, middle income and high income homes between 2003 and 2006.

BEST SALES PROSPECTS

Mexico offers good sales opportunities for American manufacturers of housing building materials. Materials having the best sales potential are included on table 5:

TABLE 5
BEST SALES PROSPECTS

Harmonized System Number	Product Description
7610.1001	Aluminum doors and windows
6910.10	Bathroom and kitchen fixtures
4418.1001	Windows and their frames of wood
4418.2001	Doors and their frames of wood
8512.10	Electrical fixtures
7019.9006	Electric insulating tubes
7308.3099	Steel and iron doors and windows
4418.3001	Parquet panels of wood
8203.4002	Plumbing fixtures
3925.2001	Plastic doors and windows
3920	Roofing products
7411.1001	Tubes and pipes of copper
8302.4105	Window brackets

* Sources: Statistical information from INEGI, Mexican Chamber for the Construction Industry (CMIC), Economy Secretariat, BANCOMEXT, National Chamber for Consulting Firms (CNEC), as well as interviews with major manufacturers and distributors.

D. MARKET ACCESS

IMPORT CLIMATE

There are no major barriers to the importation of housing building materials if they comply with the Certificate of Origin to receive the benefits of NAFTA.

DISTRIBUTION/BUSINESS PRACTICES

Companies, which have successfully entered the Mexican market typically, have a representative to sell to the major distributors and construction companies in the country. In addition, it is important that manufacturers register as building materials suppliers with INFONAVIT, FOVISSSTE, FONHAPO, PEMEX, CEF, and State housing institutes.

Once companies fully understand the housing building materials market they may consider opening direct distribution offices with after-sales service. Meeting Mexican sales terms and conditions is a must. We suggest that initial sales be made through letter of credit or secure pre-payment. U.S. housing building materials manufactures may find representatives or distributors for their products near the offices of major construction companies.

TRADE REGULATIONS

Like the U.S., Mexico uses the Harmonized Tariff System (H.S.). However, Mexico uses only eight digits while the U.S. uses up to ten digits. The first six digits used under the HS system are identical for all countries the rest may vary. HS codes are mostly universal, but a few U.S. and Mexican codes are different.

TABLE 6
IMPORT DUTIES ASSESSED ON SOME BUILDING MATERIALS

HS Code	Item	% Rate	NAFTA	Import Duties % **
7610.1001	Aluminum doors and windows	4.0	C	20
6809.1101	Articles of plaster faced or reinforced with	0.0	B	20

	paper or paperboard			
6910.10	Bathroom and kitchen fixtures	0.0	B	20
4407.1001	Composite wood	2.0	C	10
8512.10	Electrical Fixtures	3.0	C	15
7019.9006	Electric insulating tubes	0.0	A	10
8302.1001	Hinges	4.0	C	20
3214.9099	Mastic and painter's fillings	3.0	C	15
7308.3099	Other steel and iron doors and windows	3.0	C	15
3214.9099	Other fillings	3.0	C	15
4418.3001	Parquet panels	0.0	C	20
8203.4002	Plumbing fixtures	0.0	B	20
3925.2001	Plastic doors and windows	4.0	C	20
3214.1001	Resin and cement caulking compounds	3.0	C	15
3920	Roofing products	0.0	A	10
4006.9001	Rubber profile shapes	0.0	A	15
7308.3001	Steel and iron doors and windows	4.0	C	20
7411.1001	Tubes and pipes of copper	3.0	C	15
7411.1002	Tubes and pipes, 3-15mm 3.0/C 15	3.0	C	15
4418.2001	Wood windows and frames	0.0	B	20
4418.1001	Wood doors, French	0.0	B	20
8302.4105	Window brackets	4.0	C	20

*This column shows import duties for products from countries with which Mexico has no free trade agreement.

Category A: Duties on U.S. products were fully eliminated on January 1, 1994.

Category B: Duties on U.S. products were fully eliminated on January 1, 1998.

Category C: Duties are being removed in ten equal stages of 10% of the base rate. Reduction began on January 1, 1994, with full duty elimination on January 1, 2003.

The U.S. Embassy in Mexico City has an officer who follows development in the standards area, including the standards for building materials:

Dr. Louis Santamaria

Standards Attaché

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CERTIFICATE OF ORIGIN

Products qualifying as North American under NAFTA must use the NAFTA Certificate of Origin to receive NAFTA beneficial treatment. This certificate may be issued by the exporter or freight forwarder and does not have to be validated or formalized.

Only North American products, as defined by the rules of origin, are eligible for preferential tariff treatment. In general, 51 percent or more NAFTA content by value is required to get a NAFTA Certificate of Origin. The U.S. Commerce Department's NAFTA Office assists U.S.

exporters to take advantage of trade opportunities in Canadian and Mexican markets within the framework of the Agreement. For additional counseling and help on exporting, please contact the following:

1-800-USA-TRADE (1-800-872-8723) or at <http://www.export.gov>

IMPORT DUTIES AND TAXES

According to a 1998 modifications in Mexican custom law, the participation of a custom broker is not obligatory for imports if all legal and technical requirements are met. The participation of a customs broker is suggested when the exporter is not familiar with Mexican standards and customs processing procedures. For specific tariff information on non-NAFTA rates, contact CS Mexico City.

A 15 percent Value Added Tax (IVA) is assessed on the cumulative value consisting of the U.S. plant value (invoice) of the product (s), plus the inland U.S. freight, export packing plus the duty. The importer will pay other IVA fees for such services as the inland Mexico freight and warehousing. The IVA tax is only 10 percent for border area destinations. The IVA is recovered at the point of sale.

The following example shows the difference in import costs for a NAFTA firm versus a non-NAFTA company. The example also shows the effect of the 15 percent VAT on the final import price versus a non-NAFTA manufacturer's price.

DIRECT IMPORT COST TEMPLATE

TABLE 7
IMPORTED VS. DOMESTIC GOODS

	Non-NAFTA Imported Product	NAFTA Imported Product	Domestic Product
Invoice Value	\$100.00	\$100.00	\$100.00
Ad Valorem Duty	\$ 15.00	\$ 0.00	\$ 0.00
Customs Processing Fee 0.8%	\$ 0.80	\$ 0.00	\$ 0.00
Value Added Tax 15%	\$ 17.37	\$ 15.00	\$ 15.00
TOTAL	\$133.17	\$115.00	\$115.00

In addition, as of April 1, 2002, importers and exporters have to pay 161 pesos per each purchase or sale. This is a flat fee regardless of the number of items per transaction.

NOTE:

As of July 1, 1999 NAFTA originating goods are no longer subject to the 0.8% customs processing fee. A NAFTA certificate of origin is needed to take advantage of this exemption.

DELIVERY PRACTICES, CONTRACT PRACTICES AND COMMON SERVICES

Representatives of foreign firms prefer to have exclusivity from manufacturers to protect against lower prices offered to other importers and distributors. They like to work with service-oriented foreign firms, and to receive information from manufacturers when new equipment is available. It is very important that pricing be maintained in accordance with established agreements. This is especially true if the representative is participating on behalf of the manufacturer with a construction company in a tender with government housing agencies (INFONAVIT, FOVISSSTE, FOVI, FONHAPO) or with a large private sector developer.

Representatives must maintain good communication with executives of large construction companies, housing developers and government housing agencies and further, must provide timely delivery to keep customers satisfied. Major local manufacturers and distributors usually have showrooms in major cities and provide delivery service.

Transportation and distribution of housing building materials coming from the U.S. is usually done by truck, rail or ship. Building materials coming from Europe or Asia come by ship and then by truck. Air cargo is customarily used for small, high- value orders only.

FINANCING

Interest rates have been extremely high over the last five years and banks have been unable to provide most loans even to large corporations. Many companies have been experiencing liquidity problems as Mexican banks are fighting bad loan portfolios. The Mexican government has instituted a tight monetary policy. These factors make financing very important to marketing in Mexico, particularly with large orders of housing building materials.

The Inter American Development Bank (IDB) and the World Bank have been working with Mexican government housing agencies, in particular with FOVI, granting lines of credit to implement major housing projects in large urban centers of the country.

F. TRADE PROMOTION OPPORTUNITIES

Upcoming Events:

Every year Mexico City host EXPO CIHAC, which will celebrate in 2005 its seventeenth year; its considered the most prestigious event in Mexico and Latin America for building and construction supplies and materials, a housing exhibition that includes technical seminars. It is organized by Centro Impulsor de la Construcción y la Habitación and will take place in the Banamex Exhibition & Conventions Center. Show comprises the following sub-sectors: building materials, hand-tools, machinery, equipment, as well as housing financing and a special pavilion for finished houses.

Date of event:	October 18-22, 2005
Name of event:	EXPO CIHAC
Sponsor:	Centro Impulsor de la Construcción y la Habitación, A.C.
Frequency of Event:	Annual
Venue:	Centro de Exposiciones y Exhibiciones Banamex
Contact:	Mr. Adrián Orta Commercial Specialist U.S. Department of Commerce U.S. Embassy in Mexico
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Guadalajara hosts the most important Hardware and Construction Exposition in Latin America, for fifteen straight year, it is the third most important Expo of its kind in the world, and in 2005 will host exhibitors from more than twenty countries of three continents. A great variety of

products will be under one roof, such as: Tools, Locks and Fittings, Gas and Plumbing Articles, Construction Materials, Electrical Supplies, Gardening Supplies, Paints, etc.

Date of event: September 19 –21, 2003
 Name of event: 15th EXPO NACIONAL FERRETERA
 Venue: Guadalajara Expo Center
 Sponsor: Expo Nacional Ferreteria
 Avenida Morelos No. 83
 Colonia Juárez
 06600 Mexico, D.F.
 Contact: Ms. Ana Paola Muñoz A.
 Foreign Exhibitors Coordinator
 Telephone: (011-52-55) 5535-3503, 5535-3517 and 5535-3541
 Fax: (011-52-55) 5535-3535 and 5546-5720
 E-Mail: anamunoz@expoferreteria.com.mx
 WWW: www.expoferreteria.com.mx (it has an English version)
 Frequency: Annual

KEY CONTACTS:

A list of key contacts from large housing construction companies and government housing agencies as well as leading chambers for subject industry is available for interested U.S. exporters.

For additional information, please contact our office as follows:

Contact: Mr. Adrián Orta
 Commercial Specialist
 U.S. Department of Commerce
 U.S. Embassy in Mexico
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